

January 27, 1977

MEMO TO FILE:

Re: Hydro-Jet Services, Inc.
Uranium Mill, Shitmaring Canyon
ACT/017/001
Garfield County, Utah

A telephone conversation with Mr. L.C. Rouse, Chief of the Fuel Processing and Fabrication Branch, Division of Fuel Cycle and Material Safety, with the Nuclear Regulatory Commission (NRC) was held this date. It was reported to Mr. Rouse that J.R. Rookstool of NAC had contacted the Division relative to the most recent developments on this project (See B.Buck memo of 1/25/77).

Essentially, Mr. Rouse related the same description of the situation at Shitmaring Canyon as Mr. Rookstool had done. However, Mr. Rookstool had not said that the NRC license to produce uranium, held by Hydro-Jet, was up for renewal in 1976, and that to renew same, a full environmental impact statement would be required of Hydro-Jet by NRC.

In light of the proposed change in process at the mill and that a new owner (Plateau Resources) will be assuming the operation, a total amendment of the license will be required by NRC. When asked whether a change in location of the mill could be performed with the amendment Mr. Rouse did not offer a firm opinion. Since the present location of the mill is not the best choice for a mill site he did say that a site change might be performed via the license amendment, if an assessment were performed and it be determined that a negative declaration could be made. However, the EIS for the new mill capacity and license renewal would still need to be submitted to NRC no matter where the mill is located.

The next step will be NRC acting on an application by Plateau Resources, thus the Division will wait for further communication. Mr. Rouse committed to forward to the Division:

- (1) Guidelines for an environmental report
- (2) A D.E.I.S. for the Rocky Mountain Energy Uranium Mill in WY.

DIVISION OF OIL, GAS, AND MINING
RONALD W. DANIELS *Ran*
COORDINATOR OF MINED LAND DEVELOPMENT

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